MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): The answer given is:—

"Of the above, items 1, 2 and 3 are assets, while item 4 is a liability. In the Appropriation Report for 1099, the assets and liabilities under this Major Head are shown separately, while, in the Administration Report, the *net result* only, which is a liability, is shown under 'liabilities'."

Does this mean that the sum of three lakhs thirty seven thousand and odd rupees has been subtracted from the fourteen lakhs and odd?

MR. K. GEORGE (*Financial Secretary to Government*): Yes.

Checking of Accounts in Offices.

3. **MR. G. RAMAN MENON** (*Mavelikara* cum *Kartikapalli*): In view of the way in which Mr. Sankaranarayana Aiyar was enabled for a considerable period of time to carry on, undiscovered, his misappropriations of money at the Quilon Treasury, will the Government be pleased to make arrangements for checking the accounts of Treasuries or other institutions, at the time of the audit inspections by the officers of the Account Office with the true copies of the last returns received at the Account Office from the particular institution, and to check promptly each return received at the Account Office with the entries in the previous one relating to the same institution received from the same officer, or from any other officer?

MR. K. GEORGE (*Financial Secretary to Government*): No audit of the accounts of a Treasury is undertaken by the Outside Audit Department of the Account Office. The primary object of Treasury inspection is to assist the Revenue authorities, who are responsible for the Treasury management, in establishing a system of Treasury work strictly in accordance with the prescribed rules. The Inspecting Officer is responsible to see that the procedure observed at Treasuries meets all the requirements of audit and that the accounts are properly maintained. It is not intended that the Controlling Authorities should be relieved of their responsibility in the matter of management and inspection and this is clearly laid down in the Account Code. (*Vide* Note 2 to Article 387, Account Code, Part II). However, in addition to the inspection, a test audit is now being done of the receipts of one or two months. For this purpose, the Inspecting Officer is now required to take with him the relevant returns submitted by the Treasury to the Account Office.

The returns received at the Account Office from Treasury and departmental officers are promptly checked and the objections noticed are promptly communicated to the officers concerned.

Conversion of the Account Office into a Central Account and Audit Office.

4. **MR. G. RAMAN MENON** (*Mavelikara* cum *Kartikapalli*): (*a*) Will the Government be pleased to state whether any moneys are received in or disbursed from the Account Office directly at present?

(*b*) Will the Government be pleased to convert the Account Office into a Central Account and Audit Office for the finances of the

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[Mr. G. Raman Menon.]

State and order that all direct receipts and disbursements of Government money, except the expenditure on the salaries, contingencies, etc., of the Central Account and Audit Office, should be made through the Treasuries or other institutions subject to the audit of the Central Account and Audit Office?

MR. K. GEORGE (*Financial Secretary to Government*): (*a*) No moneys are received direct in the Audit Office. Disbursements are, however, made in the case of all service payments in the Capital after pre-audit in the Account Office.

(*b*) The present system of payment after audit is effective in *preventing* payment of irregular and wrongful claims and is better than a post-audit system which could detect objections only after money has been paid. The present system, which is prevailing in British India, was introduced here after mature consideration. Government do not, as at present advised, propose to adopt the innovation suggested.

Budget Allotment for the Diversion of the Pandiyan Channel.

5. MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): (*a*) Are the Government aware that the sum of Rs. 1,500 allotted in the P. W. D. Budget Estimates for 1101 M. E. (Item No. 217-New Works) for the diversion of the Pandiyan channel in the Nuranad *pakuthi*, Mavelikara taluk, is not sufficient for doing even about one-fifth of the work?

(*b*) In view of the fact that the cultivation in about 20,000 *paras* of *punja* paddy fields in Karingalichal *punja* will be protected against loss from floods and that over 2,000 *paras* of wet lands can be sold in auction by Government and newly brought under *punja* cultivation, will the Government be pleased to sanction the total amount required for the purpose, as early as convenient, by means of a supplementary grant or otherwise?

(*c*) In view of the fact that the digging of the channel can be done more cheaply and rapidly through the agency of some respectable inhabitant of the locality with the co-operation of the people, will the Government be pleased to have the work done in this manner at Government expense, under the advice and supervision of the P. W. Department?

MR. T. P. RAMASUBBA AIYAR (*Secretary to Government*): (*a*) The answer is in the affirmative. The provision made is made only with a view to make a start with the work.

(*b*) The question of a supplementary grant will be considered, if found necessary.

(*c*) This will be considered.

Registry of Lands in the Catchment Area of the Periyar Lake.

6. MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): With reference to the answers given to my question on the 1st November, 1923, regarding prohibition of registry of lands in the catchment area of the Periyar Lake, will the Government be pleased to state:

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